

# Iowa Medicaid Expansion Waiver

## Overview

In 2013, Iowa received approval for two Section 1115 waivers to expand Medicaid, the Iowa Wellness Plan that covered new adult group beneficiaries with incomes at or below 100 percent of the federal poverty level (FPL), and Iowa Marketplace Choice that covered those with incomes between 100 and 138 percent FPL.<sup>1</sup> The waivers went into effect on January 1, 2014. On December 24, 2015, the state received approval to move individuals from Iowa Marketplace Choice into the Iowa Wellness Plan, which now covers all new adult group beneficiaries with incomes up to 138 percent FPL. The waiver provides incentives to increase the use of preventive services, and is effective through December 31, 2016.

## Populations Covered

The demonstration provides coverage to adults age 19 to 64 without dependent children and parents above the state's eligibility levels that were in place prior to the implementation of the Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended) with incomes at or below 138 percent FPL.

## Benefits

Iowa Wellness Plan enrollees receive the alternative benefit plan (ABP). The state received temporary waiver authority exempting it from providing non-emergency medical transportation (NEMT). The NEMT provision was recently extended through December 31, 2016.<sup>2</sup>

Enrollees also have dental benefits. In an approved waiver amendment, the state created three tiers of dental services (basic, enhanced, and enhanced plus) with the higher tiers offering additional benefits, such as restoration services. Enrollees must complete a periodic exam within the first 6–12 months to be enrolled in the enhanced plan, and two periodic exams within the first 6–12 months to be enrolled in the enhanced plus plan.<sup>3</sup>

## Premiums and Cost Sharing

Enrollees with incomes between 50 and 100 percent FPL pay \$5 monthly premiums, and those with incomes between 100 and 138 percent FPL pay \$10 monthly premiums. Enrollees are allowed a 90-day premium grace period to pay monthly premiums and those with incomes below 100 percent FPL cannot be disenrolled for nonpayment. Those who are medically frail are not subject to premiums.



Beneficiary premiums are waived for the first year of the individual's enrollment and in subsequent years if enrollees self-attest to financial hardship. Premiums will also be waived for enrollees who complete specified health improvement activities in the prior year, such as a health risk assessment and wellness exam.

The state is allowed to charge an \$8 copayment for non-emergency use of the emergency department to all waiver enrollees. The Medicaid cap on out-of-pocket spending of 5 percent of income remains in place.

## Premium Assistance

The Iowa Marketplace Choice waiver, which has been suspended by the state, provided coverage through premium assistance in exchange plans.

## Delivery System

Enrollees receive services through the state's existing managed care plans.

For a summary of the Section 1115 waivers used to expand Medicaid to the new adult group please see [Expanding Medicaid to the New Adult Group through Section 1115 Waivers](#).

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### Endnotes

<sup>1</sup> The state provided traditional Medicaid coverage to enrollees retroactively until enrollment in the exchange plan took effect. Marketplace Choice enrollees also received wrap-around coverage for Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services for enrollees age 19- and 20. Marketplace Choice beneficiaries received services through the same networks as other enrollees in exchange plans. Services described above not provided through the exchange plan were provided by the Medicaid fee-for-service delivery system. Premium assistance enrollees also must have had access to at least one exchange plan that contracted with at least one federally qualified health center or rural health center.

<sup>2</sup> The state's original waiver of NEMT was for the first year of the demonstration, running through July 31, 2015. The state secured extensions of the waiver in order to collect additional data on the effect of not providing NEMT on access to care.

<sup>3</sup> The basic Dental Wellness plan includes dental treatment for accidental injuries and medically necessary emergent and stabilization dental services. Enhanced services include all basic services plus restorations and other restorative services, root canals and other endodontic services, non-surgical gum treatment, denture adjustments, non-surgical and surgical extractions and other oral surgery services, and designated adjunctive services. Enhanced Plus services include all basic and enhanced services, plus crowns and onlays for certain teeth, partial and complete dentures, bridges in certain circumstances, and gum surgery.

### References

Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2016. Section 1115 of the Social Security Act Medicaid demonstration: Technical corrections from amendment to the Iowa Wellness Plan. February 23. Baltimore, MD:



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CMS. <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ia/ia-wellness-plan-ca.pdf>.

Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2015. Section 1115 of the Social Security Act Medicaid demonstration: Iowa Wellness Plan Section 1115 Demonstration. December 30. Baltimore, MD: CMS. <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ia/ia-wellness-plan-ca.pdf>.

Centers for Medicare & Medicaid Services (CMS), U.S. Department of Health and Human Services. 2014. Section 1115 of the Social Security Act Medicaid demonstration: Amendment to the Iowa Marketplace Choice Plan. December 30. Baltimore, MD: CMS. <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ia/ia-marketplace-choice-plan-ca.pdf>.